GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:207
ANSWERED ON:25.04.2016
Oil Storage Reserve
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government proposes to maintain strategic reserve of petroleum and natural gas resources for use in emergency situations in the country;
(b) if so, the details thereof and the time by which such reserves will be filled up along with the average storing cost of crude oil stored in such reserves; and
(c) the further steps taken/being taken by the Government to increase the strategic crude oil storage capacity in the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) & (b): The Government, through Indian Strategic Petroleum Reserve Limited (ISPRL) has constructed crude oil reserves with storage capacity of 5.33 Million Metric Tonnes (MMT) at three locations viz. Visakhapatnam(1.33 MMT), Mangalore(1.5 MMT) and Padur (2.5 MMT). The Visakhapatnam cavern has been commissioned and has been filled with crude oil. Mangalore and Padur caverns will be ready to receive crude oil in April, 2016 and June, 2016 respectively. The estimated cost of filling the Visakhapatnam cavern is Rs.2550 crore.
The Government has inter-alia decided that the cost for filling crude oil in Visakhapatnam cavern will be met by the Government of India against the 12th Plan outlay of Rs. 4948 crore. The balance amount would be used for filling up the strategic part of the caverns, being constructed at Mangalore and Padur. Ministry of Petroleum and Natural Gas would continue to explore alternative models for financing the remaining cost of crude oil to fill the Mangalore and Padur caverns, which would include commercial utilization by other interested parties. The average filling cost of crude oil depends upon the price of crude oil prevailing in the international market conditions at the time of procurement.
(c): In order to further increase the Strategic Crude Oil storage capacity, a detailed Project Report has been prepared for establishing additional crude oil reserves of 12.5 MMT at Chandikhol (3.75 MMT), Padur(2.5 MMT), Rajkot (2.5 MMT) and Bikaner (3.75 MMT).
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